

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

Certification: I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route; that I am familiar with the conditions which recently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the proposed operations herein will be performed by Pendragon Energy Partners, Inc., its contractors and subcontractors, Pendragon Energy Partners, Inc. will operate the lease under Flood & Peterson Federal Bond #RL B0001759. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

5. Lease Serial No.

UTU018260-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.

Federal #2-20-10-18

9. API Well No.

43-047-34134

10. Field and Pool, or Exploratory
Exploratory11. Sec., T., R., M. or Blk. and Survey or Area
NW-NE Sec 20, T10S, R18E
S.L.B. & M.12. County or Parish
Uintah13. State
Utah1a. Type of Work: ☒ DRILL☐ REENTER1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name Of Operator

Pendragon Energy Partners, Inc.

3a. Address

621 17th Street, Suite 750, Denver CO 80293

3 b. Phone No. (include area code)

303 296 9402

4. Location of Well (Report location clearly & in accordance w/State requirements*)

At Surface 672' FNL, 2,064' FEL Sec 20, T10S-R18E

At proposed prod zone Same

4420880 N
592731 E

14. Distance in miles and direction from nearest town or post office*

28.7 miles from Myton, Utah

15. Distance from proposed location to nearest property or lease line, ft.
(Also to nearest drlg. unit line, if any)

672' FNL

16. No. of Acres in lease
40

17. Spacing Unit dedicated to this well

18. Distance from proposed location to nearest well drilling, completed, applied for in this lease, ft.

19. Proposed Depth
5,000'20. BLM/BIA Bond No. on file
RLB000175921. Elevations (Show whether D, KDB, RT, GL etc.)
5,359' GL22. Approximate date work will start*
Sept 1, 200123. Estimated Duration
20 days

24. Attachments

The following, completed in accordance with the requirements of On shore Oil and Gas Order No.1 shall be attached to this form:

1. Well plat certified by a registered surveyor. Exhibit "A"
2. A Drilling Plan Exhibit "B"
3. A Surface Use Plan (if the location is on National forest System Lands, the Exhibit "D" SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see item 20 above). RLB0001759
5. Operator certification. Exhibit "D" & as above
6. Such other site specific information and/or plans as may be required by the authorized officer. Exhibits "C"/"E"/"F"/"G" and "H"

25. Signature

Name (Printed/Typed)
John LuchettaDate
June 15, 2001

Title

Agent

Approved by (Signature)

Name (Printed/Typed)

Title

Office

RECEIVED

JUN 18 2001

DIVISION OF
OIL, GAS AND MINING

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

* Instructions on reverse side

Exhibits: A: Survey Plat
B: 10-Point PlanC: BOP Diagram
D: 13 Point Surface Use Plan
E: Access Road Maps A&BF: Location Layout
G: Rig/Cut & Fill Layouts
H: Existing Wells Map

EXHIBIT "B"
PROPOSED DRILLING PROGRAM

ONSHORE ORDER NO.1
Pendragon Energy Partners, Inc.
Desert Spring Federal #2-20-10-18
NW-NE Sec 20 -T10S - R18E
Uintah County, Utah

**OIL & GAS ORDER NO.1 (APPROVAL OF OPERATIONS ON
ONSHORE, FEDERAL AND INDIAN OIL AND GAS LEASES).**

All lease and/or unit operations will be conducted in a manner so that full compliance is made with the applicable laws, regulations (CFR 43, Part 3160) and the approved Application for Permit to Drill. The operator assumes full responsibility for the actions of its contractors and subcontractors. A copy of the approved APD will be on location during construction, drilling and completion operations.

The applicant does not warrant or certify that it holds legal or equitable title to those rights in the subject lease which would entitle operations thereon to proceed.

1. ESTIMATED FORMATION TOPS : (Elevation - 5359')			
FORMATION	DRILLED (ft) SUBSEA		PORE PRESSURE (psi/ft)
Green River	650	+4,708	Normal
Wasatch Tongue of Green River	4,750	+ 608	Normal
Total Depth	5,000	+ 394	Normal

* Offset pressure data supports pore pressure gradient @ 0.42 psi/ft .

2. ESTIMATED DEPTH OF OIL, GAS, WATER OR OTHER MINERALS:

SUBSTANCE	FORMATION	DEPTH (ft)
Water	None anticipated	
Gas	None	
Oil	Green River	4,000 – 5,000

3. PRESSURE CONTROL EQUIPMENT & SPECIFICATIONS :

- **Anticipated maximum surface shut-in pressure gradient:**
 - . $P_s = BHP - (0.22 * 5,000) = (0.42 * 5,000) - (0.22 * 5,000) = 1,000 \text{ psi.}$
 - . If a pressure anomaly occurs, API pressure control methods will be immediately imposed.
 - . Drilling fluid density materials will be available on location.
 - . Poison gas is not known to exist in the area.
- **BOP EQUIPMENT:** (See Exhibit "C")
 - . Type: Nominal 10" hydraulic double ram, 2,000 psi working pressure.
 - . Ram type preventers shall be installed after the prescribed WOC time has expired. The casing will be cut off and a weld-on companion flange fastened.
 - . Pipe & blank rams will be used.
 - . The BOP will be inspected, operated daily and on trips with the drill string. All tests will be recorded on the daily drilling log.
- **CHOKE MANIFOLD EQUIPMENT:** (See Exhibit "C")
 - . The hydraulic closing unit will be located @ least 100' upwind from the BOP stack.
 - . A remote BOP closing unit will be positioned near the driller's operating station.

- . Burst pressure rating – 2,000 psi.
- . The choke manifold, BOP extension rods and handwheels will be located outside the substructure.
- . The kill line will be 2" nominal rated @ 2,000 psi.
- **BOP TESTING:**
 - . Upon installation.
 - . If any seal subject to pressure is broken.
 - . Every 30 days if drilling operations continue beyond anticipated 10 days.
 - . A test plug will not be used since testing can be accomplished w/o exposing surface casing to excess pressures (70% of internal yield).

4. TEST PRESSURES AND OTHER SPECIFICATIONS ANTICIPATED:

UNIT	PROPOSED TEST PRESSURE (psi)
Pipe rams	2,000
Blind rams	2,000
Manifold	2,000
Surface casing	1,500 (or .70 x rated burst)
Floor valve	2,000
Annular	2,000

- . Upper & lower kelly cock will be maintained in the drill string.
- . Drill string float will not be used.
- . The floor valve will be available in the open position @ all times and will be operated daily.
- . BLM agent will be notified at least 24 hours before all BOP tests.
- . BOP & pressure control drills will be conducted.

5. PROPOSED CASING & CEMENTING PROGRAM:								
PROPOSED CASING	HOLE SIZE	CASING SIZE	TOP OF SECTION (ft)	SECTION LENGTH (ft)	PHYSICAL DATA	Pressure Rating (psi)		Cement Top
						Burst	Collapse	
Conductor	17 1/2"	16"	0	60	Steel			Surface.
Surface	12 1/4"	8 5/8"	0	250	24# J55 STC	2,950	2,210	Surface
Production	7 7/8"	5 1/2"	0	5,000'	15.5# J55 STC	4,800	4,040	NA

Note: All casing will be new.

• **CASING SPECIFICATIONS AND CONDITIONS:**

- Stage cementing is not anticipated.
- The production casing will be tested @ 2,000 psi or 70% of minimum yield for a period of 30 minutes with not more than 10% drop.
- Formation Pore Pressure (from offset pressure data) -- 0.420 psi/ft.
- Formation Fracturing Gradient ----- 0.700 psi/ft.
- Mud Density (Max lbs/gal) ----- 9 ppg @ 5,000'.
- Collapse ----- 1.120.
- Burst ----- 1.000.
- Tension ----- 1.800.
- Casing joints will be torqued according to API standards.
- Three centralizers will be placed on collars of the bottom 3 joints (Surface and Intermediate casing).
- A centralizer will be placed on each collar through production zones and every joint 300' above and below production zones (Production casing).

• **CEMENTING PROGRAM:**

- **CONDUCTOR CASING:** Cement to surface w/ ready mix.

. **SURFACE CASING: Cement to surface w/150 cuft "Lite" tailed w/100 cuft premium.**

. **PRODUCTION CASING: Will be cemented from TD to 600' above top pay zone. Volume of cement will be determined from caliper log.**

6. PROPOSED DRILLING FLUID SPECIFICATIONS:					
DEPTH INTERVAL	TYPE	DENSITY Lbs/gal	VISCOSITY	FLUID LOSS	MAKE UP WATER
0 - 250'	Gel	8.7 - 9.0	26-40	NC	Fresh
250' - TD	Gel	8.4 - 9.0	26-50	NC	Fresh

• **OTHER DRILLING FLUID SPECIFICATIONS AND CONDITIONS:**

- . **LCM will be present on location @ all times during drilling.**
- . **Fluids parameters to be measured daily - density, viscosity, fluid loss, pH, solids, chlorides, bicarbonate and carbonates.**
- . **Concentration of hazardous substances in the reserve pit will not exceed standards set forth in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA).**
- . **Oil & gas related CERCLA hazardous waste substances will be removed from location and will be disposed of according to EPA approved methods.**

7. EVALUATION OF OPERATIONS WHILE DRILLING:

• **MUD MONITORING SYSTEMS (Swaco):**

- . **Pit level indicator, flow sensor w/alarms, PVT and stroke counter will not be used.**
- . **A trip tank will not be used.**
- . **Gas detection equipment (mud logger) will not be used.**
- . **A mud-gas separator will not be used.**

- **DRILL STEM TESTS:** None anticipated.

- . If it becomes necessary to conduct a drill stem test, initial opening of the test will be restricted to daylight hours.
- . If a test is initiated during daylight hours, it will be allowed to continue assuming OSHA considerations are strictly met.
- . The DST string will not be pulled out of the hole after dark unless recovered fluids have first been reverse circulated to a suitable closed steel tank placed at least 100' down wind from the wellhead.
- . Smoking will not be allowed on the rig floor or within 100' upwind from the rig floor during test operations.
- . Only rig engines will be allowed to run during testing. All others will be moved at least 100' upwind from the rig floor.

- **LOGGING PROGRAM:**

- . The following open hole logs are anticipated:

Run #1 @ TD

(1) GR - DLL ----- TD to base of Surface casing.

(2) CNL - Density - Caliper --- TD to base of surface casing.

- . The following cased hole logs are anticipated:

(1) GR-CCL ----- PBTD to 500' above the pay zone.

(2) CBL (Cement Bond Log) ----- PBTD to cement top.

- **SAMPLING PROGRAM:**

- . 250 to +/- 4,000' ----- 30' samples will be collected.
- . 4,000' to TD ----- 10' samples may be collected as necessary.

CORING: Not anticipated.

8. ANTICIPATED PORE PRESSURES & HAZARDOUS MATERIALS:• **PORE PRESSURE:**

- In the surface hole – normal to subnormal pressures are anticipated.
- In the Green River – normal to subnormal pore pressures are anticipated (0.420 psi per ft.).

• **HAZARDOUS MATERIALS:** None anticipated.**9. OTHER INFORMATION, NOTIFICATION & REPORTING:**

OPERATION	DATE OR ANTICIPATED TIME
Proposed start time	August 15, 2001
Drill pad & road construction time	2 - 4 days
Drilling operations & formation evaluation	8 - 10 days
Completion & testing time	5 - 10 days
Facilities installation	5 - 10 days
Initial restoration start time	180 days or as weather permits
Final restoration time	5 - 10 days

• **INFORMATION & REPORTING PLAN:**• **DRILLERS LOG:**

- BOP, manifold, casing pressure tests - as done.
- BOP mechanical test – as done.
- Blowout prevention drills – as done.
- Casing installation & cementing – as done.
- WOC time – as done.
- Incidents of lost circulation or pressure anomalies – as occurs.

• **REGULATORY REPORTING :**

- Notification of location construction - 24 hours prior to start up.
- Notification of spud – prior to spud and/or within 48 hours after.

- . Notification of BOP test – at least 24 hours prior to testing.**
- . P&A - the Vernal Resource Office will be contacted prior to plugging .**
- . Form 3160-4 - monthly.**
- . Form 3160-5 - within 30 days after P&A or completion of the well.**
- . Facilities diagram – as required by CFR 43 Part 3162.7-2 and 3162.7-4.**
- . Undesirable events will be reported as specified in NTL-3A.
Major events will be reported verbally within 24 hours. Minor events
will be reported within 15 days. Other events will be reported in the
monthly report of operations.**



LUCHETTA OPERATING CO., INC.
2020 FOOTHILLS RD. • GOLDEN, CO 80401

EXHIBIT "C"
BOP & MANIFOLD SPECIFICATIONS
(MEETS 43 CFR, PARTS 3160 DESIGN)
SERIES 600 2,000 PSI RATING

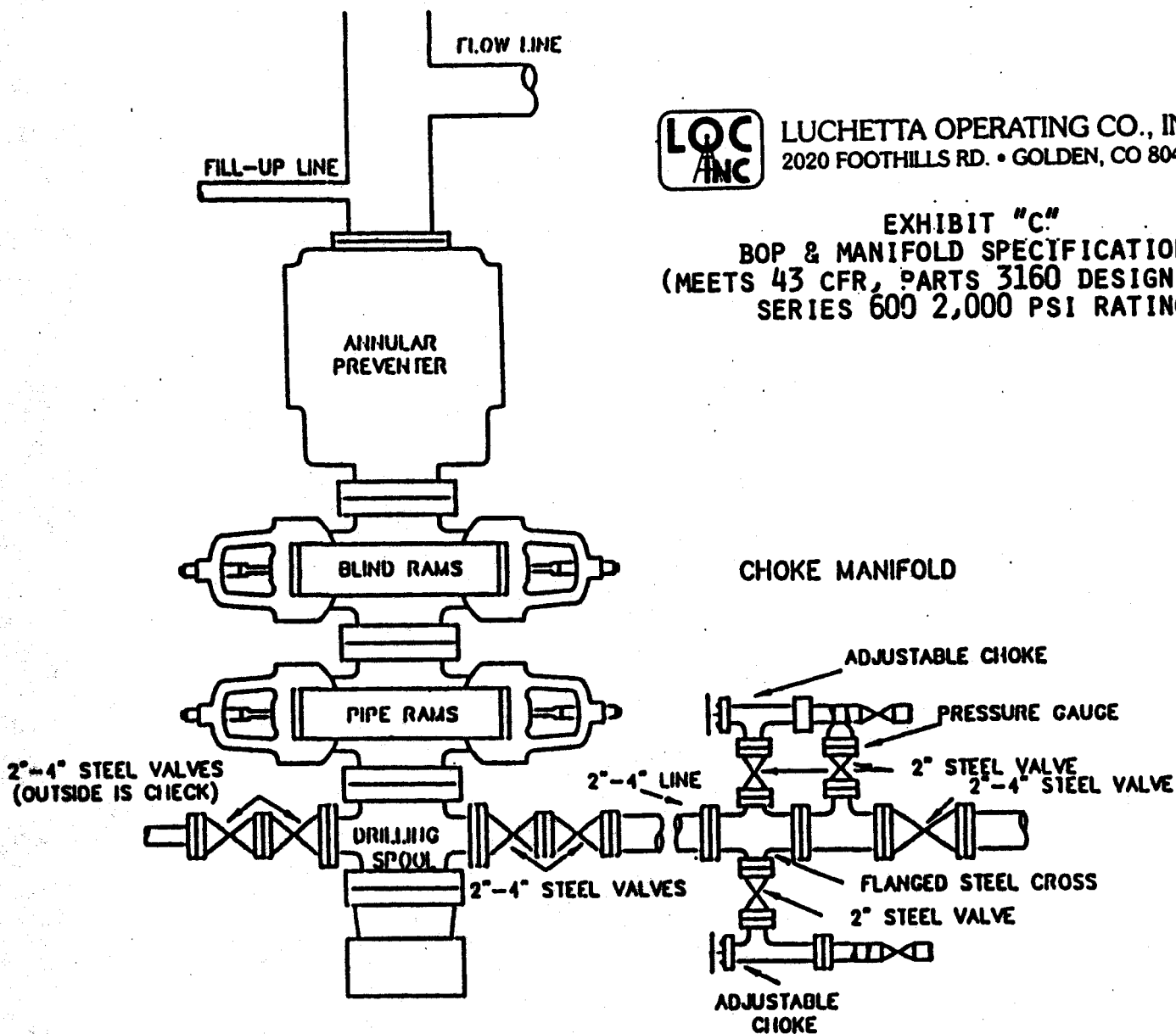


EXHIBIT "D"
PROPOSED SURFACE USE PROGRAM

ONSHORE ORDER NO. 1
PENDRAGON ENERGY PARTNERS, INC.
DESERT SPRING FEDERAL #2-20-10-18, NW NE Sec 20-T10S-R18E
Uintah County, Utah

- **SURFACE OWNER (BLM)**
- **SURFACE LOCATION: (See Exhibit "A"). NW-NE Sec 20-T10S-R18E.**
- **Distance : 28.7 miles from Myton, Utah (See Exhibits "E").**
- **Directions to location: South from Myton then 12.5 miles to Castle Peak Mine then left for 14.8 miles to lease road, then right on lease road 1,695'.**

1. EXISTING ACCESS ROADS: (See maps "A" & "B")

- **All existing access roads will be maintained as is with repairs or maintenance as needed.**
- **No improvements or changes to existing roads are anticipated.**
- **Map "A" is the vicinity map showing access routes from Red wash, Utah.**
- **Topo Map "B" shows the proposed access road to the pad.**
- **Occasional maintenance blading and storm repairs will keep roads in good condition.**
- **There shall be no mud blading on the access road. Vehicles may be towed through the mud provided they stay on the roadway.**
- **All road construction and maintenance will conform to standards identified in "Surface Operating Standards for Oil and Gas Exploration and Development" (Gold Book) U.S. Department of the Interior-BLM and U.S. Department of Agriculture-Forest Service; January 1989.**

2. ACCESS ROADS TO BE CONSTRUCTED:

- **Road Specifications For Drilling Operations:**

- Approximately 1695 feet of new road construction will be required.
- Width – maximum 30-foot overall right-of-way with an 18-foot running crown & ditched and/or sloped and dipped.
- Construction standard – the access road will be constructed to standards normal to the area with anticipated traffic flow and weather requirements considered. Ditching, crowning, capping, sloping, and dipping will be done to provide a safe roadway.
- Off-road travel of the 30 foot right-of-way will not be allowed.
- Road drainage crossings – will be designed so they will not cause siltation or the accumulation of debris. Erosion will be prevented by properly designed cutouts.
- Upgrading – will not be allowed during muddy conditions. Mud holes will be repaired as they occur.
- Maximum grade – will be less than 8%.
- Drainage design – as stated above.
- Turnouts – none anticipated.
- Culverts – none anticipated.
- Surface materials – any materials if required will be purchased from a local supplier having a permitted source.
- Gates, catleguards of fence cuts – none required.
- The proposed access road has been centerline flagged.

- . Dust will be controlled on the roads and location by periodic watering.
- . A road design plan will be submitted upon completion for production.

3. EXISTING WELLS WITHIN 1 MILE:

- Locations ----- None.
- Water wells ----- None.
- Disposal wells ----- None.
- Drilling ----- None.
- Producing wells ----- One.
(SW SW Sec 20 T10S R18E)
- Injection ----- None.
- Dry holes ----- None.

4. LOCATION OF EXISTING PRODUCTION FACILITIES.

- Existing Facilities:
 - . Tank batteries ----- None.
 - . Production facilities ----- None.
 - . Gathering lines ----- None.
 - . Injection or disposal lines ----- None.

- **Proposed new facilities to be installed:**

- **A facilities diagram will be provided in the event oil production is established and will outline the following:**

- a. **Proposed location and attendant lines – will be flagged if off the well pad.**
- b. **Dimensions of the layout.**
- c. **Construction methods and materials.**
- d. **Protective measures and devices to protect livestock and wildlife.**
- e. **Pipelines – will be buried a minimum of 3-feet except at road crossings which will be buried 4-feet.**
- f. **Road and pipeline will be restricted to 50-feet of disturbance. Vehicular travel will be restricted to that necessary to service drips and the need to use valves.**
- g. **Only native materials will be used. If necessary appropriate materials will be purchased from private or commercial sources.**
- h. **A dike to contain the volume of the largest tank + 10% will be constructed around the facility.**
- i. **All above ground facilities will be painted a flat non-reflective, earthtone color (Carlsbad Canyon – 2.5Y 6/2) as determine by the Five State Rocky Mountain Interagency Committee within six months of installation except where OSHA regulations require safety approved colors.**

5. LOCATION OF WATER SUPPLY TYPE & OWNERSHIP:
--

Owner: Water well operated by Nebeker Trucking. Permit #43-1721.

Location: Sec 34 T3S-R2W, USM.

Method of transportation: Trucking.

6. SOURCE OF CONSTRUCTION MATERIALS:

- No construction materials are anticipated for drilling operations.
- If commercial production is indicated small amounts of gravel materials will be trucked from local gravel pits over existing roads.
- No materials from Indian or federal lands will be disturbed.

7. METHODS FOR HANDLING WASTE DISPOSAL:

- Drilling fluids – including salts and chemicals will be contained in the reserve pit. Upon termination of drilling and completion operations, liquid contents of the reserve pit will be removed and disposed of in an approved disposal facility within 90 days. In the event adverse weather conditions prevent removal of the fluids from the reserve pit within this time period, an extension may be granted by the Authorized Officer upon receipt of a written request.
- The reserve pit will be constructed to prevent any discharge to the surroundings or underlying formations. If necessary the pit will be lined with a 12 mil plastic liner.
- Produced fluids:
 - Liquid hydrocarbon produced during completion operations will be placed in test tanks on location and transferred to the production facility when it is ready for use. After completion and testing operations are complete production will be routed through buried pipelines to be processed in the newly constructed facility.
 - Waste water produced into a test tank or the reserve pit during completion and testing operations will be removed to an approved disposal facility within 90 days. In accordance with Onshore Order #7 an application for a permanent disposal method and site will be submitted for the Authorized Officer's approval.
 - Spills of oil, gas, salt water or other noxious fluids will be immediately removed to an approved disposal site.

- . **Used motor oil** will be stored in closed containers and disposed of at an authorized disposal site.
- . **Trash pit** will be constructed and totally enclosed with fine mesh wire to prevent scatter. No trash will be directed to the reserve pit. The contents of the pit will be disposed of in a WDEQ approved sanitary landfill.
- . **Test tanks** will be moved in if such becomes necessary for an impending drill stem test or during completion testing.
- . **Steel drilling fluids tanks** will be part of rotary drilling equipment (approximately 1,000 bbl capacity).
- . **Flare pit** will be located a minimum of 120' down wind from the well bore if needed.
- . **Human wastes** will be contained in portable chemical toilets. Upon completion of operations, the holding tanks will be removed by the sanitation contractor. Disposal will be in conformance with Utah Department of Environmental Quality (UDEQ).
- . **Drill cuttings** will be transferred over shale shaker equipment to the reserve pit. After drilling and completion operations are completed, excess liquids will be removed to disposal and drill cuttings will be buried in the reserve pit per approved pit restoration procedures.
- . **Garbage and trash** collected in the trash pit during restoration proceedings will be removed to an approved disposal facility.
- . **Sewage** collection units installed prior to drilling start up will be serviced daily.
- . **Hazardous materials** the operator will comply with all applicable federal laws and regulations existing or hereafter enacted. EPA's consolidated list of chemicals is subject to reporting under Title III of the Superfund amendments and Re-authorization Act (SARA) of 1986, as identified (EPA's list of extremely hazardous substances as defined in 40 CFR 355, as amended). Substances that may be used in the project are as follows:

USE	CHEMICAL	CAT (2)	EHC (3)
Stimulation	Acid	None	None
Mud	AlSi	None	None
Mud	BaSo4	None	None
Mud	CaOH	None	None
Increase vis	HMW add	None	None
Cement	Insol Ca Salt	None	None
Mud	Caustic	None	None
Mud/Cement	None	None	None
Mud/Cement	None	None	None
Mud/Cement	None	None	None
Set casing	Lime	None	None
Thinner	None	None	None
Mud	None	None	None
Fuel	Benzene	RCRA	None
Mud	None	None	None
None	None	None	None
Mud/Cement	None	None	None
Mud	None	None	None
Mud	None	Fiber	None
Mud	Ca	None	None
Mud (LCM)	Fiber	None	None
Lubricant	Zinc	None	None
Fuel	None	None	None
None	None	None	None
Maintenance	Lead	Fine Min	None
Mud	None	None	None
Mud (LCM)	Fiber	None	None

8. ANCILLARY FACILITIES:

- Airstrips: None
- Camp: Two portable units will be on location:
 1. Toolpusher's living quarters.
 2. Company supervisor's living quarters.

9. WELL SITE LAYOUT: (See Exhibit "G")

- **Location orientation:**

- Top soil: Approximately 6 inches will be stripped from the surface including areas of cut and fill. Topsoil and subsoil will be stockpiled for future reclamation requirements. The stockpiles will be seeded as required by the BLM.
- Location Size: 170' x 290'.
- Reserve pit size: 110' x 50' x 8'.
- Pit liner – 12 mm plastic if needed.
- Pit fencing: Three sides will be fenced prior to drilling. The fourth side will be fenced after drilling equipment is removed from the well site. Fencing materials will consist of 39-inch wire with at least one strand of barbed wire on top of the net wire placed no more than 3-inches above the net wire. The net wire will be no more than 3-inches above the ground. Corner posts will be cemented and braced to impose a tight fence. Standard steel, wood or pipe posts will be placed on 16' centers. All wire will be stretched with a stretching device.

- **Rig layout: (See Exhibit "G").**

- There may be two temporary living quarters on location during drilling operations. These will be occupied by the rig superintendent and company representatives.

- **Production facilities:**

- A diagram showing proposed production facilities will be submitted to the Authorized Officer via Sundry Notice (Form 3160-5) after completion and testing is finished.

10. PLANS FOR RECLAMATION OF THE SURFACE:

- **Due to drilling and completion:**

- The rat hole, and mouse hole will be filled and compacted from bottom to top immediately upon release of the drilling rig.

- . Floating hydrocarbons etc will be removed as soon as possible after drilling operations are complete in accordance with 43 CFR 3162.7-1.
- . Drill cuttings and mud will remain in the reserve pit until dry. The reserve pit will not be "squeezed", "crowded" or "cut". When the reserve pit is reclaimed, at least three feet of earth will be placed on top of the drilling fluids and cuttings.
- . If the reserve pit does not dry within the prescribed time, alternate methods will be investigated.
- Dry hole (Commercial production not established):
 - . A Notice of Intent to Abandon will be filed . Final recommendations for surface reclamation will be specified by the BLM.
 - . The drill site will be restored to its original condition.
 - . The wellbore will be P&A'd according to the approved program.
 - . An approved marker will be positioned as directed.
 - . Spoil will be replaced to original conditions.
 - . Top soil will be replaced and smoothed.
 - . If necessary, water bars will be constructed according to BLM Conditions of Approval.
 - . All disturbed surface under the jurisdiction of the BLM will be seeded using the following mixtures:

SPECIES OF SEED	VARIETY	LBS/ACRE	PLS
Western wheat grass		4	
Green needle grass		4	
Stream ban wheat grass		3	
Blue bunch wheat grass		3	
Oats		1	
PLS formula	% germination * % purity	x	100%

- **Seeding Procedure:**

- . The BLM designated Authorizing Officer will be notified prior to seeding operations.
 - . The seed will be applied with a regulator equipped drill.
 - . Planting depth shall not exceed $\frac{1}{2}$ ".
 - . If possible, seeding will be done in the months of September or October, providing all preliminary work is done by that time.
 - . Where drilling is not possible, the seed will be broadcast and the area raked or chained to cover the seed.
 - . Seeding will be repeated until a satisfactory stand, as determined by the BLM Authorized Officer, is established.
 - . Where seed is broadcast, the mixture will be doubled.
 - . There will be no primary or secondary noxious weeds in the mix.
 - . Seed will be tested for purity and germination. Viability testing of seed will be done in accordance to state law 9 months prior to purchase or sooner.
 - . Commercial seed will be certified.
 - . The seed mixture container will be tagged in accordance with Utah state law. Copies of seed test results and certification will be forwarded to the BLM.
 - . Weeds will be controlled on disturbed areas within the exterior limits of the permit.
- **In the event production is established:**
 - . Those areas not required for production will be re-contoured and the cut and fill slopes will be reduced to 4:1, if applicable.
 - . Topsoil will be distributed evenly and seeded as above.
 - . All topsoil stockpiles will be seeded with annual ryegrass.

- . If a plastic or nylon reinforced pit liner is used, it will be torn and perforated before backfilling of the reserve pit.
- . Prior to restoration of the reserve pit, it will be completely dry and all cans, barrels, pipe etc. will be removed. Other waste materials will be disposed of immediately upon completion of drilling and completion activities.
- . The flare pit and that portion of the access road not needed for production facilities or operations will be reclaimed within ninety days from the date of completion.
- . The access road will be upgraded and maintained as needed for production operations.
- Pesticide use:
 - . The use of pesticides will comply with federal and state laws governing its proper use, storage, and disposal.
 - . The use of pesticides will occur within limitations imposed by the Secretary of the Interior.
- All procedures listed above for a dry hole will also be applied to a well completed for production as follows:
 - . A facilities diagram and plan will be submitted for approval.
 - . Flowline route will be outlined on a suitable map of the area.
 - . Produced water will be temporarily disposed of in the reserve pit according to Onshore Order No 7 (90 day limit).
 - . If more time is needed, an extension will be requested.
 - . Sundry notice form 3160-5 (Application for permanent disposal) will be filed if necessary.

11. SURFACE OWNERSHIP:

- . Name: BLM
- . Address: Vernal, Utah

12. OTHER INFORMATION:

A. General description: Utah grazing and ranch land.

B. Surface use activities: Cattle grazing and other typical ranch activity.

C. Proximity of water, occupied dwelling, archaeological or paleontological sites:

- 1. The majority of the numerous washes and draws in the area are of a non-perennial nature, flowing during the early spring run-off and heavy rain storms.**
- 2. The flora of the area includes pinion and juniper trees, sagebrush, greasewood, four-wing saltbush, cheatgrass, gambel scrub oak, willow, tamarack, shadscale, indian ricegrass, wheatgrass, curly grass, crested wheatgrass, foxtail, russian thistle, kochia, and cacti.**
- 3. Fauna includes cattle, horses, elk, deer, coyotes, rabbits, rodents, lizards, bull snakes, rattle snakes, water snakes and horned toads. Birds include ground sparrows, bluejays, bluebirds, magpies, ravens, raptors, morning doves, swallows, nighthawks, hummingbirds and chukar.**
- 4. The nearest live water is the Green River.**
- 5. There are no dwellings in the area.**
- 6. An archaeological survey has been completed and mailed to the BLM under separate cover. No significant archaeological or historical cultural sites were found.**
- 7. There are no reported restrictions or reservations note on the oil and gas lease.**

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/18/2001

API NO. ASSIGNED: 43-047-34134

WELL NAME: FED 2-20-10-18

OPERATOR: PENDRAGON ENERGY PTNRS (N2965)

CONTACT: JOHN LUCHETTA

PHONE NUMBER: 303-296-9402

PROPOSED LOCATION:

NWNE 20 100S 180E

SURFACE: 0672 FNL 2064 FEL

BOTTOM: 0672 FNL 2064 FEK

UINTAH

WILDCAT (1)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-0182660-A

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: GRRV

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. RLB0001759)

☒ Potash (Y/N)

☒ Oil Shale (Y/N) *190-5 (B) or 190-3

☒ Water Permit
(No. 43-1721)

☒ RDCC Review (Y/N)
(Date: _____)

☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

☐ R649-2-3. Unit _____

☒ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells

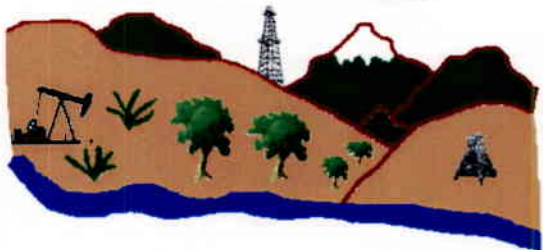
☐ R649-3-3. Exception

☐ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____

☐ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: ① FEDERAL APPROVAL



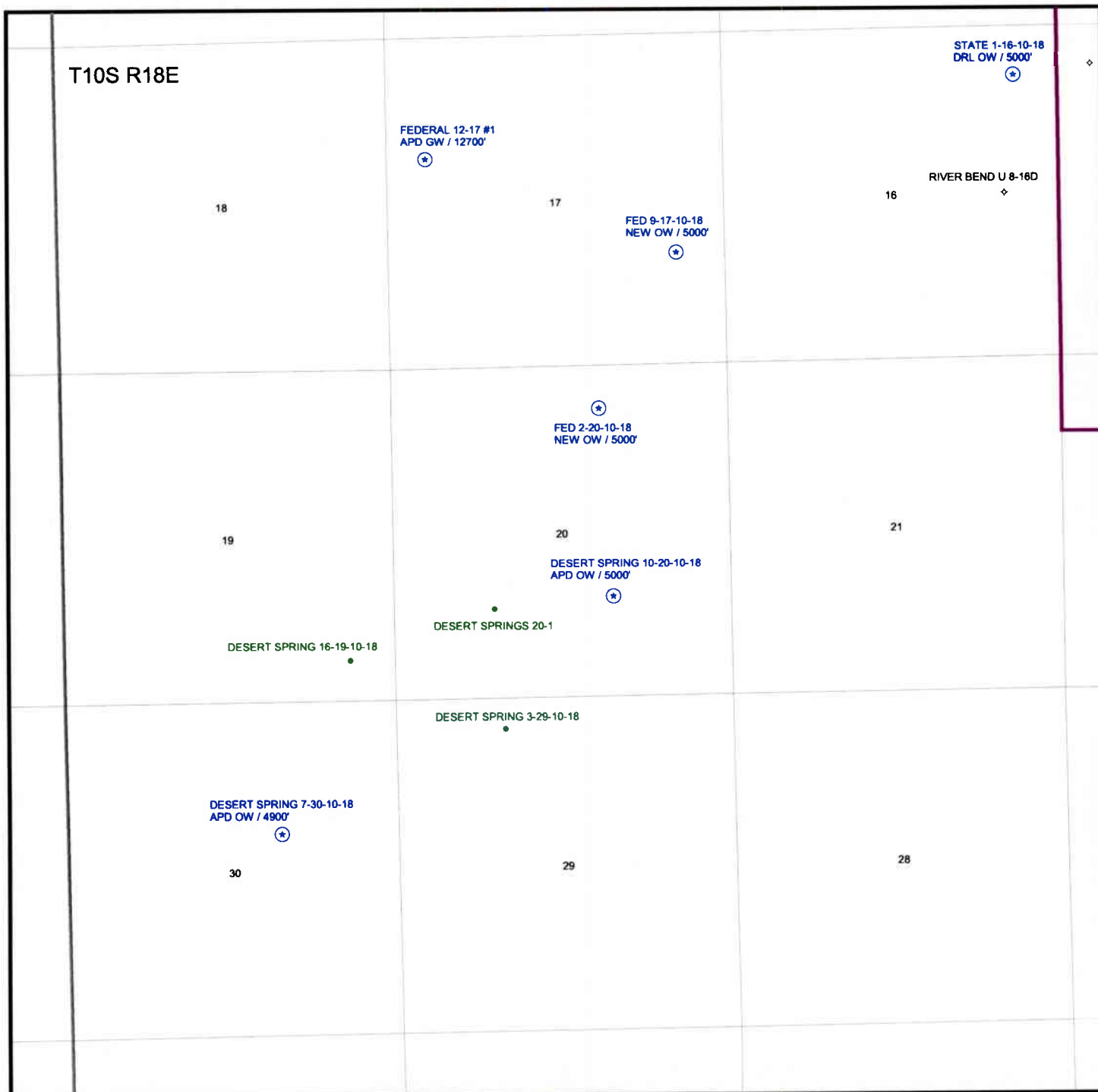
Utah Oil Gas and Mining

OPERATOR: PENDRAGON ENERGY (N2965)

SEC. 20, T10S, R18E

FIELD: WILDCAT (001)

COUNTY: UINTAH SPACING: R649-3-2/GEN ST



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

Certification: I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route; that I am familiar with the conditions which recently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the proposed operations herein will be performed by Pendragon Energy Partners, Inc., its contractors and subcontractors, Pendragon Energy Partners, Inc. will operate the lease under Flood & Peterson Federal Bond #RL B0001759. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

FORM APPROVED
OMB No. 1004-0138
Expires November 30, 20005. Lease Serial No.
UTU018260-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
Federal #2-20-10-189. API Well No.
43-047-3413410. Field and Pool, or Exploratory
Exploratory - wildcat11. Sec., T., R., M. or Blk. and Survey or Area
NW-NE Sec 20, T10S, R18E
S.L.B. & M.12. County or Parish
Uintah13. State
Utah1a. Type of Work: ☒ DRILL☐ REENTER1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name Of Operator

Pendragon Energy Partners, Inc.

3a. Address

621 17th Street, Suite 750, Denver CO 80293

3 b. Phone No. (include area code)

303 296 9402

4. Location of Well (Report location clearly & in accordance w/State requirements*)

At Surface **672' FNL, 2,064' FEL Sec 20, T10S-R18E**At proposed prod zone **Same**

14. Distance in miles and direction from nearest town or post office *

28.7 miles from Myton, Utah15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)**672' FNL**16. No. of acres in lease
4018. Distance from proposed location
to nearest well drilling, completed,
applied for in this lease, ft.19. Proposed Depth
5,000'20. BLM/BIA Bond No. on file
RLB000175921. Elevations (Show whether D, KDB, RT, GL etc.)
5,359' GL22. Approximate date work will start*
Sept 1, 200123. Estimated Duration
20 days

24. Attachments

The following, completed in accordance with the requirements of On shore Oil and Gas Order No.1 shall be attached to this form:

1. Well plat certified by a registered surveyor. **Exhibit "A"**
2. A Drilling Plan **Exhibit "B"**
3. A Surface Use Plan (if the location is on National forest System Lands, the **Exhibit "D"** SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see item 20 above). **RLB0001759**
5. Operator certification. **Exhibit "D" & as above**
6. Such other site specific information and/or plans as may be required by the authorized officer. **Exhibits "C"/"E"/"F"/"G" and "H"**

25. Signature

Name (Printed /Typed)

John Luchetta

Date

June 15, 2001

Title

Agent

Approved by (Signature)

Name (Printed/Typed)

BRADLEY G. HILL

Date

06-26-01

Title

Office **RECLAMATION SPECIALIST IN**

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

* Instructions on reverse side

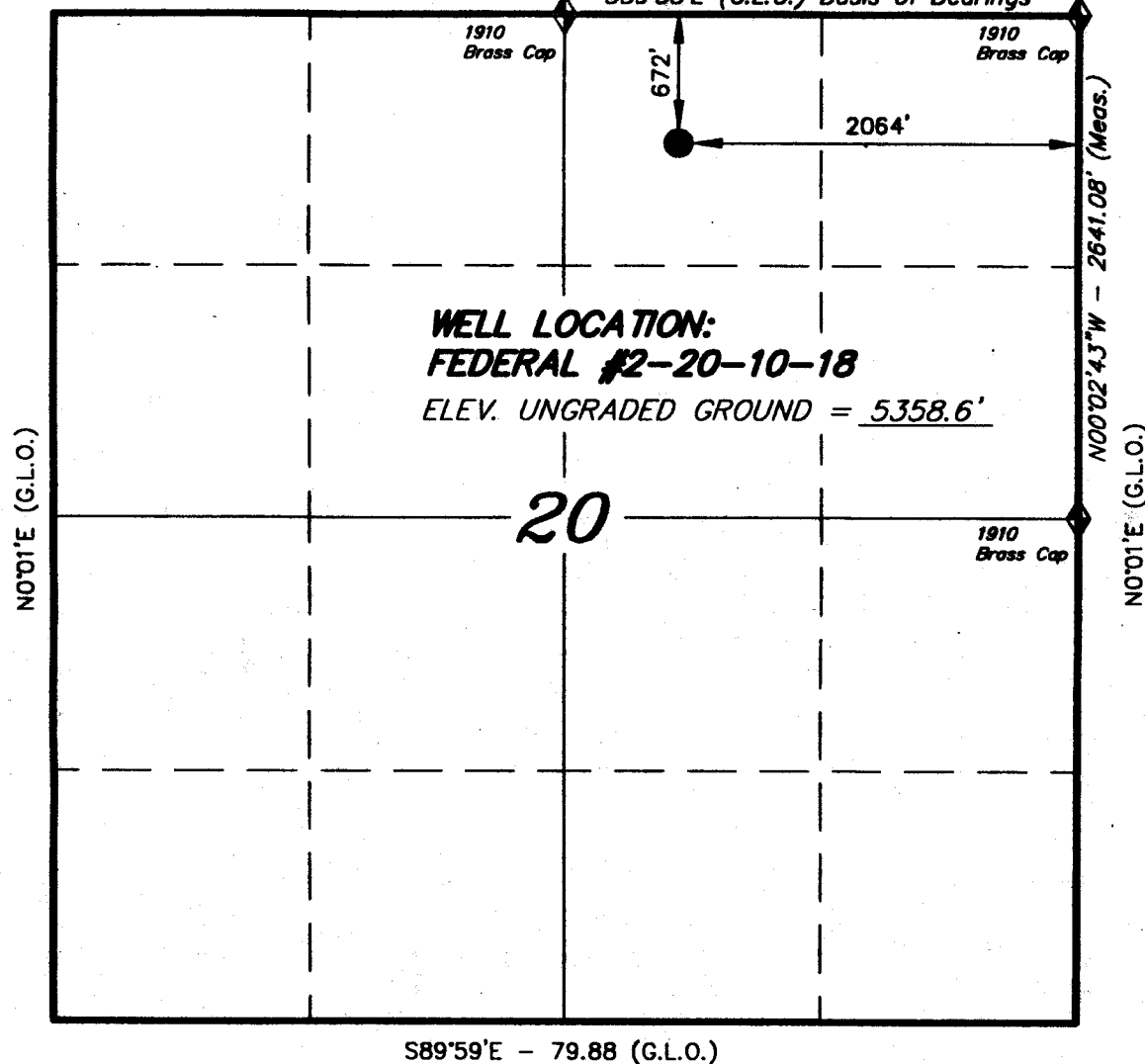
Exhibits: **A: Survey Plat**
B: 10-Point Plan**C: BOP Diagram**
D: 13 Point Surface Use Plan
E: Access Road Maps A&B**F: Location Layout**
G: Rig/Cut & Fill Layouts
H: Existing Wells Map

T10S, R18E, S.L.B.&M.

S89°58'E - 79.90 (G.L.O.)

2648.71' (Measured)

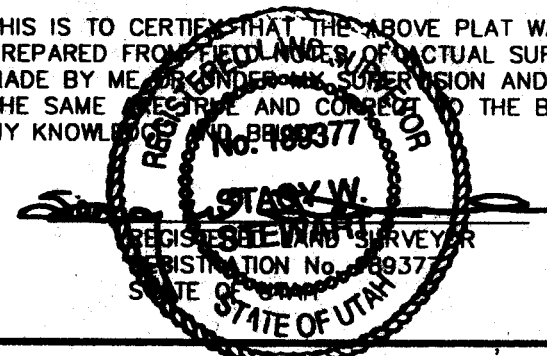
S89°58'E (G.L.O.) Basis of Bearings

**PENDRAGON ENERGY PARTNERS, INC.**

WELL LOCATION, FEDERAL #2-20-10-18,
 LOCATED AS SHOWN IN THE NW 1/4 NE
 1/4 OF SECTION 20, T10S, R18E,
 S.L.B.&M. UTAH COUNTY, UTAH.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
 PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS
 MADE BY ME OR UNDER MY SUPERVISION AND THAT
 THE SAME ARE TRUE AND CORRECT TO THE BEST OF
 MY KNOWLEDGE AND BELIEF.



TRI STATE LAND SURVEYING & CONSULTING
 38 WEST 100 NORTH - VERNAL, UTAH 84078
 (435) 781-2501

◆ = SECTION CORNERS LOCATED

BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (CROW KNOLL)

SCALE: 1" = 1000'

SURVEYED BY: C.D.S.

DATE: 4-09-01

WEATHER: COOL

NOTES:

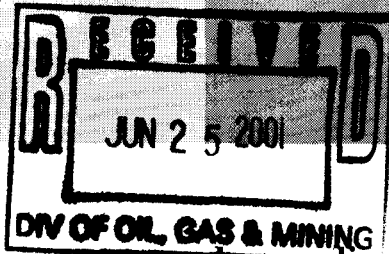
FILE #

13. OPERATOR'S REPRESENTATIVES AND CERTIFICATION:

	ADDRESS	PHONE #	FAX #	HOME #
Al Nicol	621 17 th Street, Suite 750 Denver, CO 80293	303 296 9402	303 296 9410	303 425 4115
John Luchetta	2020 Foothills Rd. Golden, CO 80401	303 278 3347	303 278 9506	303 278 3347

14. GOVERNMENT CONTACTS:

	ADDRESS	PHONE #	
Stanely R. Olmstead	170 South 500 East Vernal, Utah	435 781 4400	435 781 4410



- Certification:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the proposed operations herein will be performed by Pendragon Energy Partners, Inc. , its contractors and subcontractors. Pendragon Energy Partners, Inc. will operate the lease under Flood & Peterson Federal Bond #RLB0001759. This statement is subject to the provisions of 18 U. S. C. 1001 for the filing of a false statement.

A complete copy of the approved Application for Permit to Drill will be furnished to the operator's field representative to ensure compliance and will be on location during all construction, drilling and completion operations.

Please be advised that Pendragon Energy Partners, Inc. is considered to be the operator of Well No. 2-20-10-18 NW-NE Sec 20, T10S, R18E; Lease Desert Spring Federal ; Uintah County, Utah; and is responsible under the terms and conditions of the lease for operations conducted upon the leased lands. Bond coverage is provided by Flood & Peterson Federal Bond #RLB0001759.

June 15, 2001

Date

Pendragon Energy Partners, Inc.
John Luchetta, Agent

13. OPERATOR'S REPRESENTATIVES AND CERTIFICATION:

	ADDRESS	PHONE #	FAX #	HOME #
Al Nicol	621 17 th Street, Suite 750 Denver, CO 80293	303 296 9402	303 296 9410	303 425 4115
John Luchetta	2020 Foothills Rd. Golden, CO 80401	303 278 3347	303 278 9506	303 278 3347

14. GOVERNMENT CONTACTS:

	ADDRESS	PHONE #	
Stanely R. Olmstead	170 South 500 East Vernal, Utah	435 781 4400	435 781 4410

- Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the proposed operations herein will be performed by Pendragon Energy Partners, Inc. , its contractors and subcontractors. Pendragon Energy Partners, Inc. will operate the lease under Flood & Peterson Federal Bond #RLB0001759. This statement is subject to the provisions of 18 U. S. C. 1001 for the filing of a false statement.

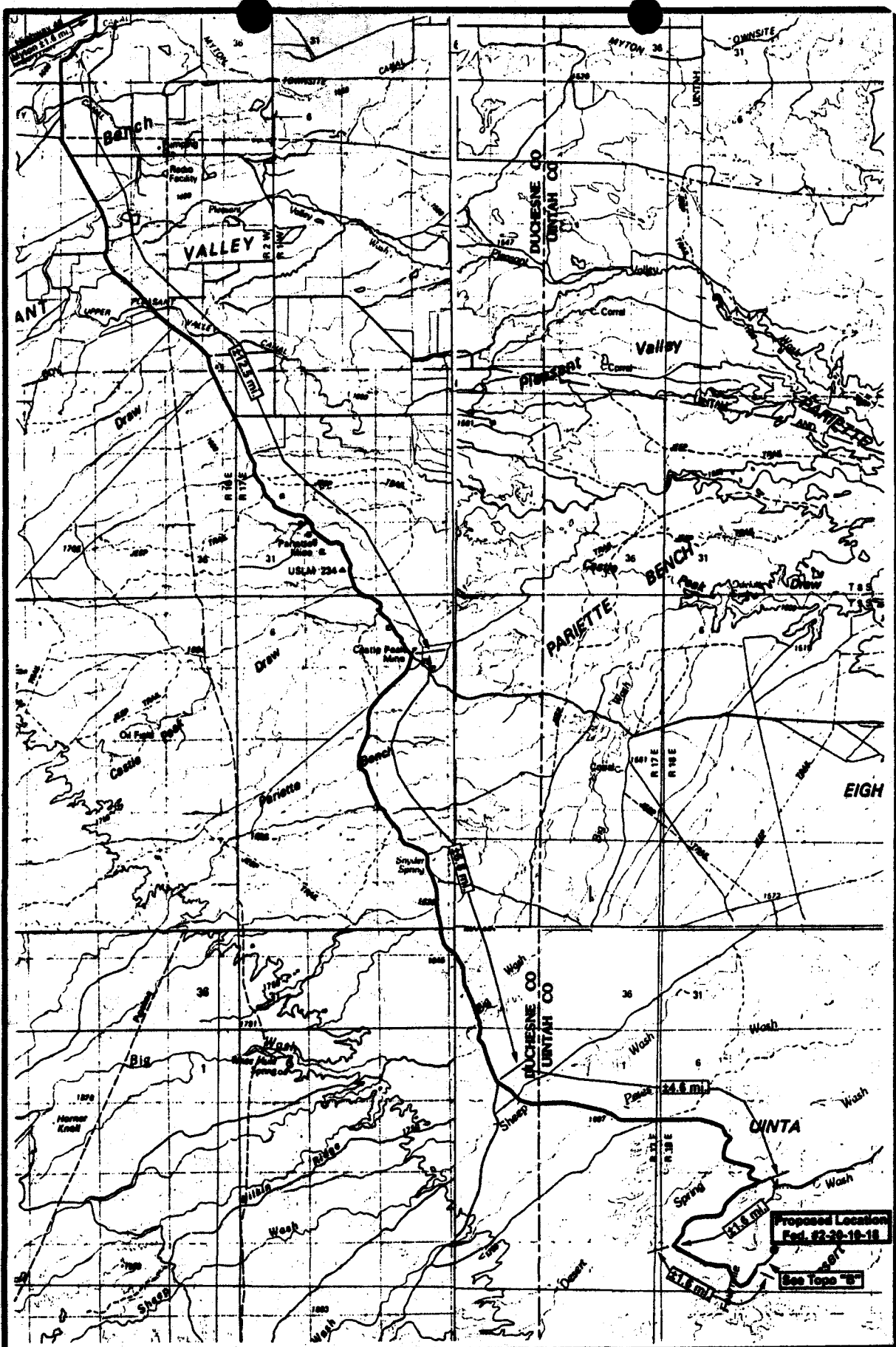
A complete copy of the approved Application for Permit to Drill will be furnished to the operator's field representative to ensure compliance and will be on location during all construction, drilling and completion operations.

Please be advised that Pendragon Energy Partners, Inc. is considered to be the operator of Well No. 2-20-10-18 NW-NE Sec 20, T10S, R18E; Lease Desert Spring Federal ; Uintah County, Utah; and is responsible under the terms and conditions of the lease for operations conducted upon the leased lands. Bond coverage is provided by Flood & Peterson Federal Bond #RLB0001759.

June 15, 2001

Date

Pendragon Energy Partners, Inc.
John Luchetta, Agent



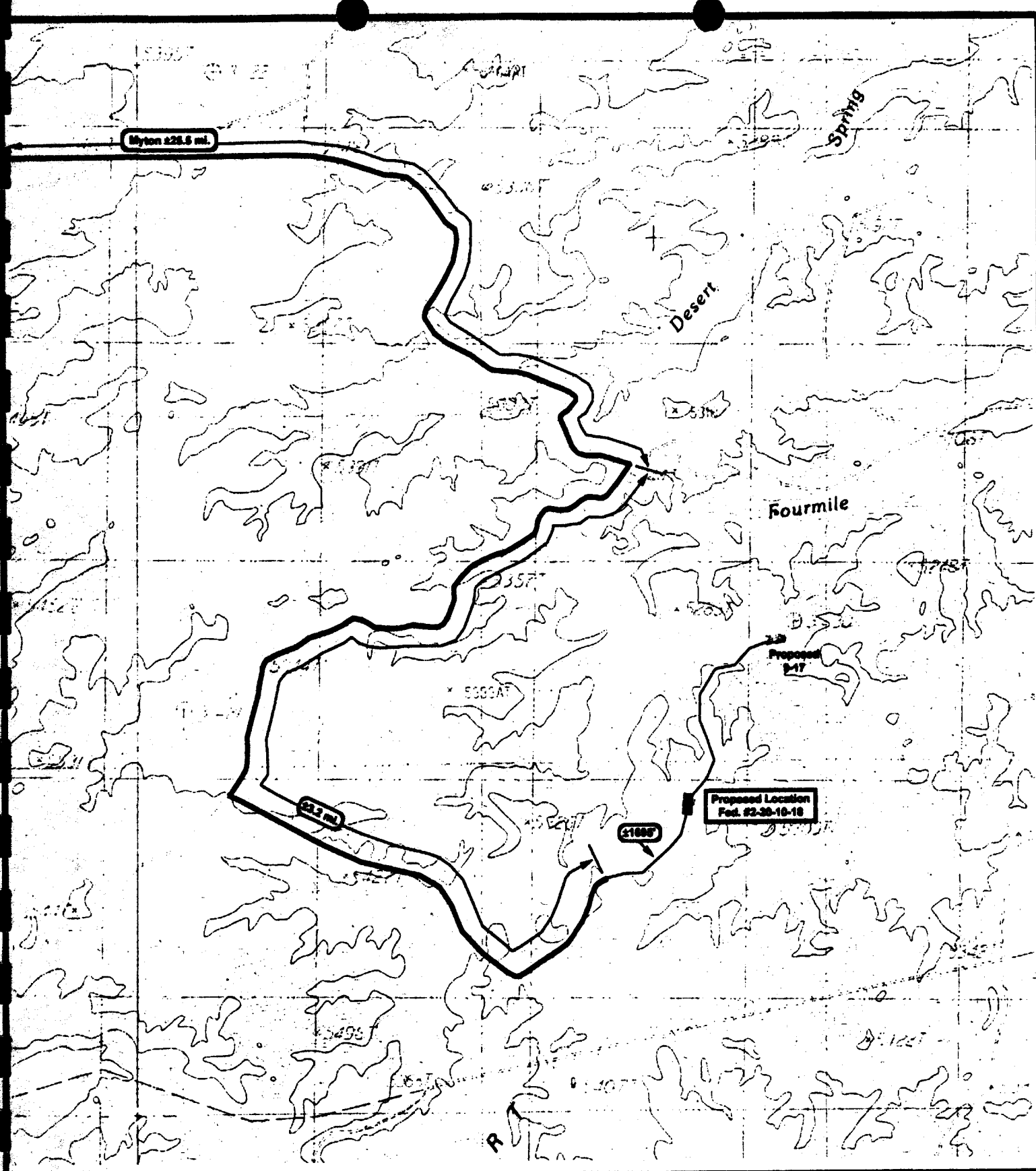
PENDRAGON ENERGY PARTNERS, INC.

**FEDERAL #2-20-10-18
SEC. 20, T10S, R18E, S.L.B.&M.**

TOPOGRAPHIC MAP "A"

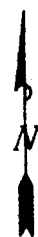


Drawn By: bgn	Revision:
Scale: 1 : 100,000	File:
Date: 04-11-2001	
Tri-State Land Surveying Inc. P.O. Box 533, Vernal, UT 84078 435-781-2501 Fax 435-781-2518	



PENDRAGON
ENERGY PARTNERS INC.

Federal #2-20-10-18
SEC. 20, T10S, R18E, S.L.B.&M.



Tri-State
Land Surveying Inc.
 (435) 781-2501
 38 West 100 North Vernal, Utah 84078

SCALE: 1" = 2000'
 DRAWN BY: bgm
 DATE: 04-11-2001

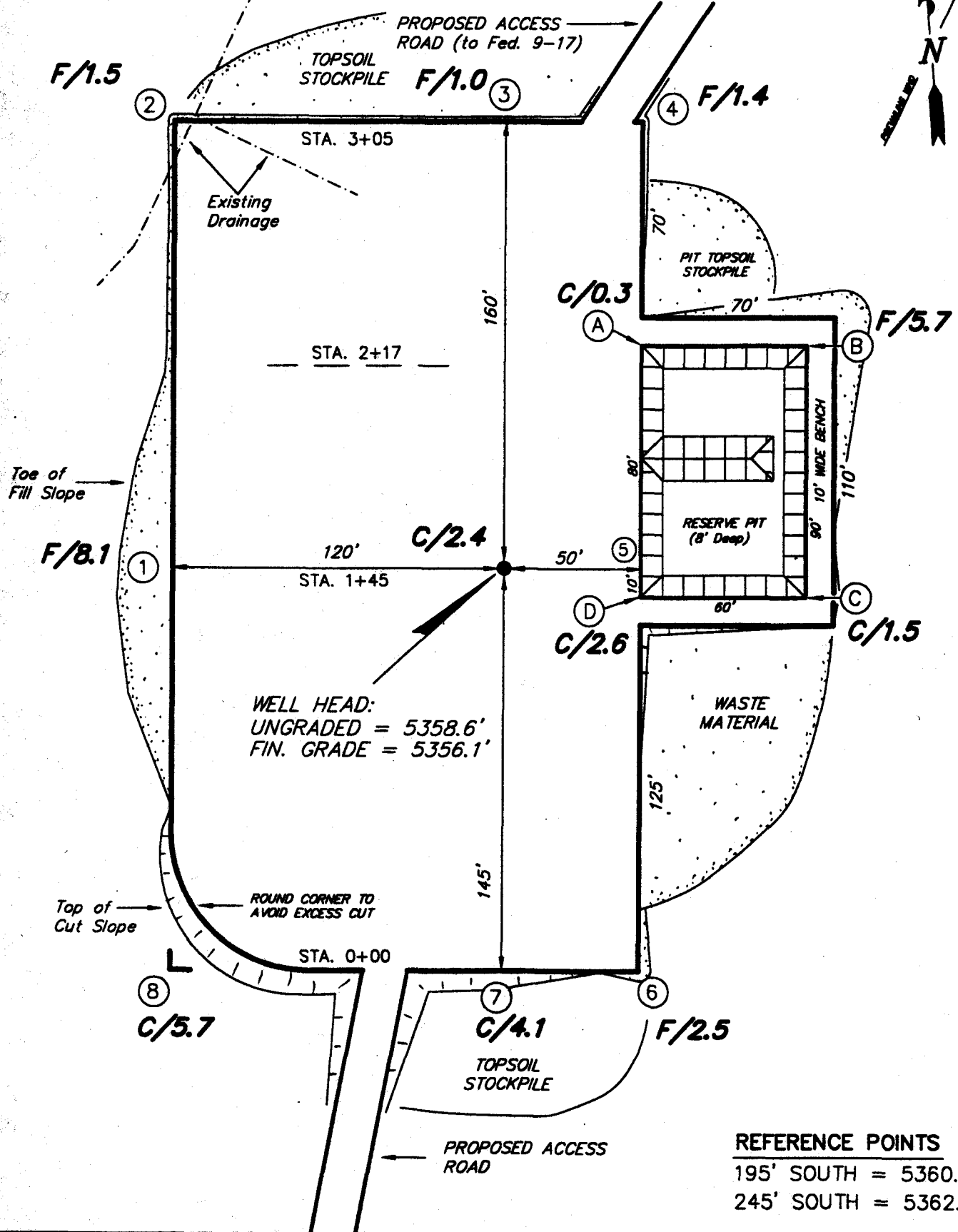
Legend
 Existing Road
 Proposed Access

TOPOGRAPHIC MAP

"B"

PENDRAGON ENERGY PARTNERS, INC.

FEDERAL #2-20-10-18
SEC. 20, T10S, R18E, S.L.B.&M.



REFERENCE POINTS
195' SOUTH = 5360.4'
245' SOUTH = 5362.3'

SURVEYED BY: C.D.S.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

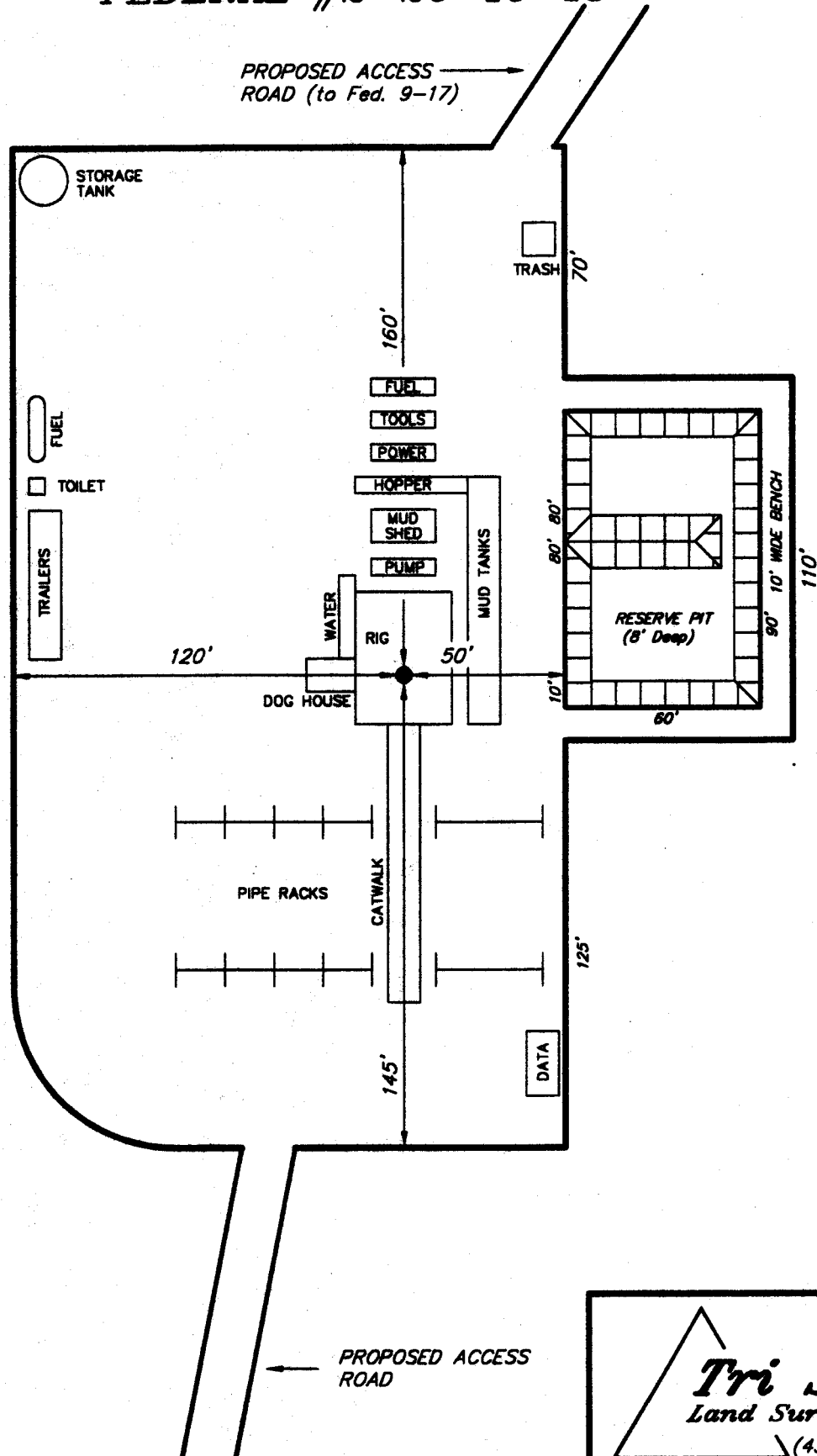
DATE: 4-9-01

Tri State
Land Surveying, Inc.
(435) 781-2501
38 WEST 100 NORTH VERNAL, UTAH 84078

PENDRAGON ENERGY PARTNERS, INC.

TYPICAL RIG LAYOUT

FEDERAL #2-20-10-18

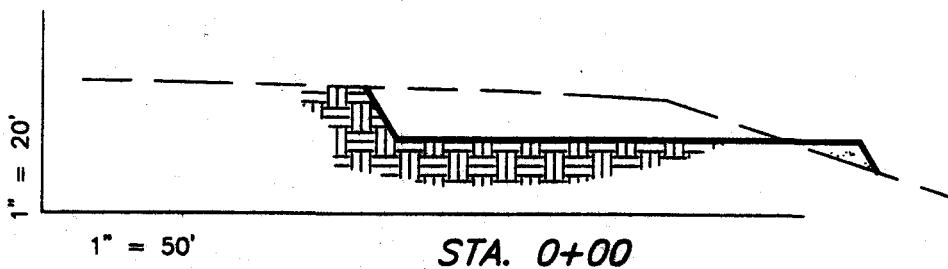
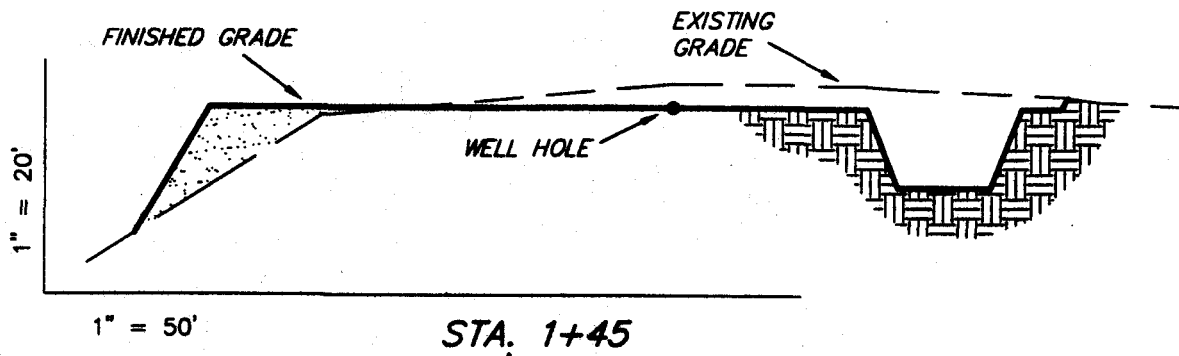
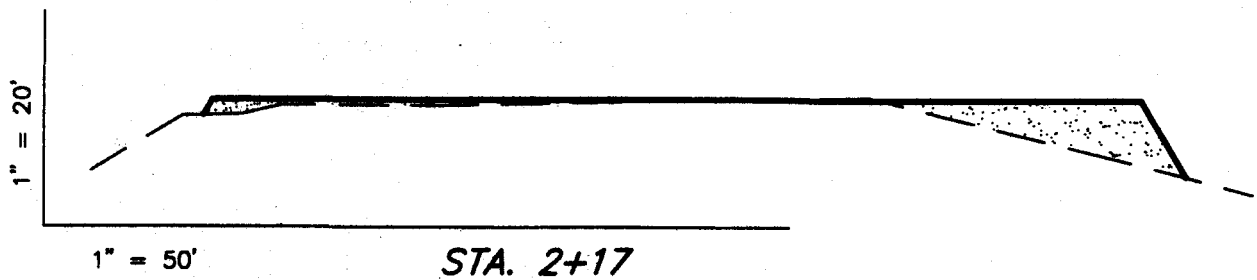
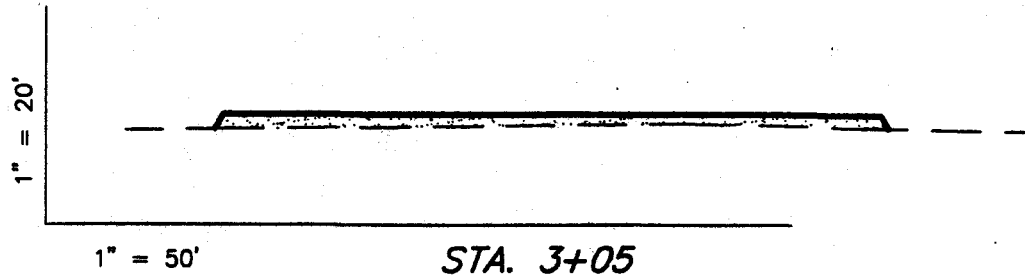


Tri State
Land Surveying, Inc.
(435) 781-2501
38 WEST 100 NORTH, VERNAL, UTAH 84078

PENDRAGON ENERGY PARTNERS, INC.

CROSS SECTIONS

FEDERAL #2-20-10-18



APPROXIMATE YARDAGES

CUT = 1,910 Cu. Yds.

FILL = 1,900 Cu. Yds.

PIT = 1,020 Cu. Yds.

6" TOPSOIL = 1,010 Cu. Yds.

SURVEYED BY: C.D.S.

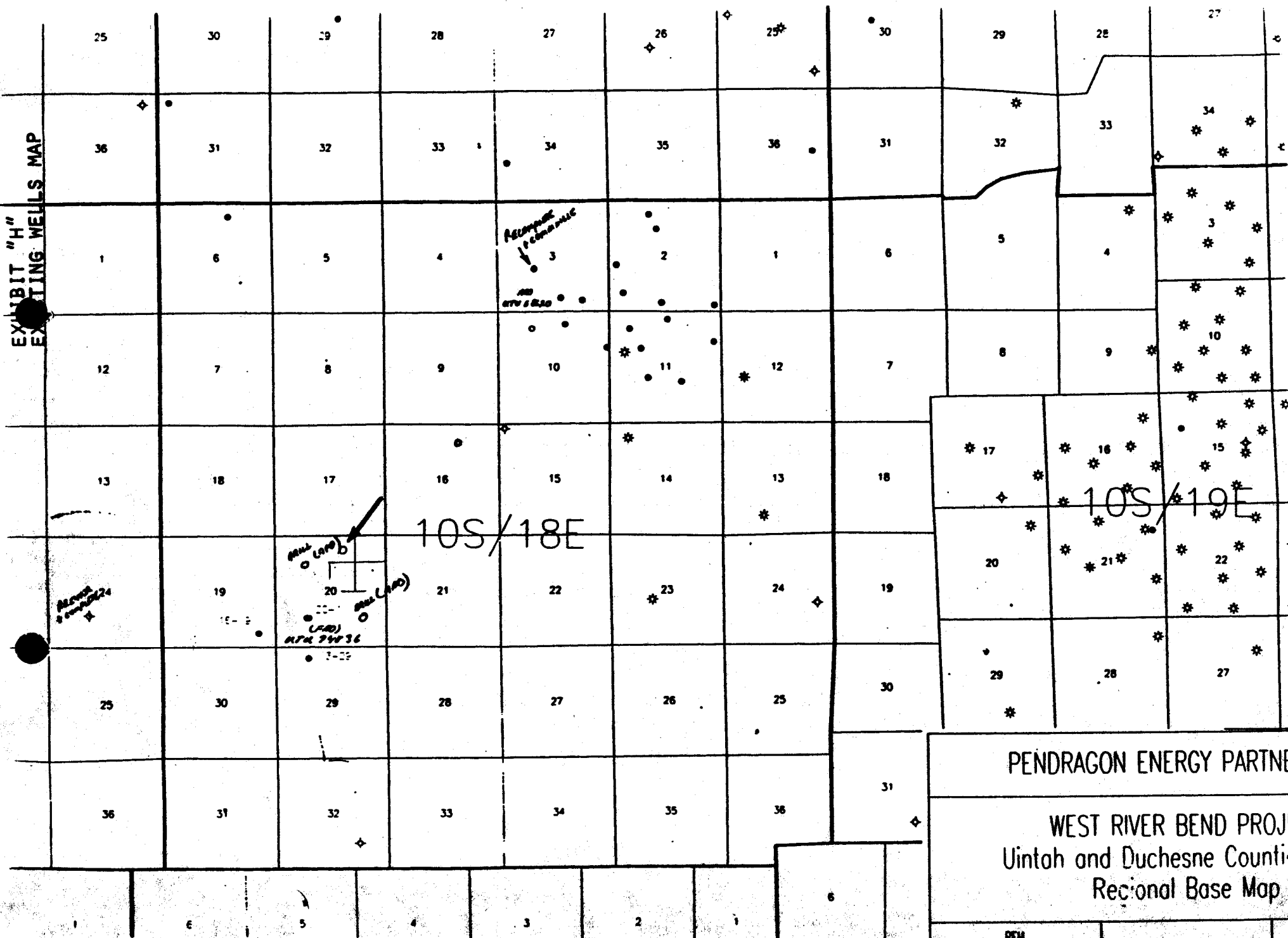
SCALE: 1" = 50'

DRAWN BY: J.R.S.

DATE: 4-9-01

Tri State
Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078
(435) 781-2501

EXHIBIT "H"
EXISTING WELLS MAP





State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

June 26, 2001

Pendragon Energy Partners, Inc.
621 - 17th St, Suite 750
Denver, CO 80293

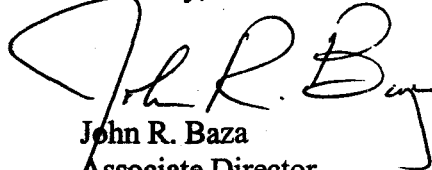
Re: Federal 2-20-10-18 Well, 672' FNL, 2064' FEL, NW NE, Sec. 20, T. 10 South,
R. 18 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34134.

Sincerely,



John R. Baza
Associate Director

er
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Pendragon Energy Partners, Inc.
Well Name & Number Federal 2-20-10-18
API Number: 43-047-34134
Lease: UTU 018260-A
Location: NW NE **Sec.** 20 **T.** 10 South **R.** 18 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

RECEIVED

JUN 25 2001

Certification: I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route; that I am familiar with the conditions which recently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the proposed operations herein will be performed by Pendragon Energy Partners, Inc., its contractors and subcontractors, Pendragon Energy Partners, Inc. will operate the lease under Flood & Peterson Federal Bond #RL B0001759. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

5. Lease Serial No.

UTU018260-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.

Federal #2-20-10-18

9. API Well No.

10. Field and Pool, or Exploratory
Exploratory11. Sec., T., R., M. or Blk. and Survey or Area
NW-NE Sec 20, T10S, R18E
S.L.B. & M.12. County or Parish
Uintah13. State
Utah1a. Type of Work: ☒ DRILL☐ REENTER1b. Type of Well: ☒ Oil Well☐ Gas Well☐ Other☒ Single Zone☐ Multiple Zone

2. Name Of Operator

Pendragon Energy Partners, Inc.

3a. Address

621 17th Street, Suite 750, Denver CO 80293

3 b. Phone No. (include area code)

303 296 9402

4. Location of Well (Report location clearly & in accordance w/State requirements*)

At Surface 672' FNL, 2,064' FEL Sec 20, T10S-R18E

At proposed prod zone Same

14. Distance in miles and direction from nearest town or post office *

28.7 miles from Myton, Utah

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drlg. unit line, if any)

672' FNL

16. No. of Acres in lease

40

17. Spacing Unit dedicated to this well

18. Distance from proposed location
to nearest well drilling, completed,
applied for in this lease, ft.19. Proposed Depth
5,000'20. BLM/BIA Bond No. on file
RLB000175921. Elevations (Show whether D, KDB, RT, GL etc.)
5,359' GL22. Approximate date work will start*
Sept 1, 200123. Estimated Duration
20 days

24. Attachments

The following, completed in accordance with the requirements of On shore Oil and Gas Order No.1 shall be attached to this form:

1. Well plat certified by a registered surveyor. Exhibit "A"

2. A Drilling Plan Exhibit "B"

3. A Surface Use Plan (if the location is on National forest System Lands, the Exhibit "D"
SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see item 20 above). RLB0001759

5. Operator certification. Exhibit "D" & as above

6. Such other site specific information as may be required by the authorized office. Exhibits "E", "F", "G" and "H"

25. Signature

Name (Printed/Typed)

John Luchetta

SEP 24 2001

Date

June 15, 2001

Title

Agent

DIVISION OF
OIL, GAS AND MINING

Approved by (Signature)

Name (Printed/Typed)

Date

09/10/2001

Title

Assistant Field Manager
Mineral Resources

Office

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of Approval

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

* Instructions on reverse side

Exhibits: A: Survey Plat

B: 10-Point Plan

C: BOP Diagram

D: 13 Point Surface Use Plan

E: Access Road Maps A&B

F: Location Layout

G: Rig/Cut & Fill Layouts

H: Existing Wells Map

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Pendragon Energy Partners, Inc.

Well Name & Number: Federal 2-20-10-18

API Number: 43-047-34134

Lease Number: U - 018260-A

Location: NWNE Sec. 20 T. 10S R. 18E

Agreement: N/A

NOTIFICATION REQUIREMENTS

- | | | |
|---------------------------------|---|---|
| Location Construction | - | at least forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion | - | prior to moving on the drilling rig. |
| Spud Notice | - | at least twenty-four (24) hours prior to spudding the well. |
| Casing String and Cementing | - | at least twenty-four (24) hours prior to running casing and cementing all casing strings. |
| BOP and Related Equipment Tests | - | at least twenty-four (24) hours prior to initiating pressure tests. |
| First Production Notice | - | within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days. |

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **2M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

3. Casing Program and Auxiliary Equipment

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Green River Formation, identified at ± 655 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal Field Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2. Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman (435) 828-7874
Petroleum Engineer

Kirk Fleetwood (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

**SURFACE USE PROGRAM
Conditions of Approval (COAs)**

Existing Access Roads:

Map "A" the vicinity map shows access routes not from Red Wash, Utah but Myton, Utah.

Access Roads to be Constructed:

Access to Well No. 2-20-10-18 shall be modified to prevent road from being on ridge by moving the route slightly to east. Access to Well No. 9-17-10-18 shall be modified at a point about 400 feet south of location to move it west to avoid the Federally listed Uinta Basin Hookless cactus. The construction worker developing each of these routes shall make a field inspection with an authorized officer of the BLM prior to construction to assure they understand the specific modifications necessary to minimize negative impacts to natural resources.

Existing and/or Proposed Facilities

If a pipeline is requested for this location additional authorization will be necessary.

If out side construction material is needed for containment dikes or road development the operator will obtain prior approval from the authorized officer.

Noxious weeds and other non-native species would be controlled on the well site and along the access road by application of herbicides or by hand removal.

Methods for Handling Waste Disposal:

The reserve pits shall be lined with a 12 mil plastic liner. The pit will have sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc..., that could puncture the liner will be disposed of in the pit.

No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completing of this well.

Plans For Reclamation Of Location

All seeding for reclamation operations at each of these locations shall use the following seed mixture:

shadscale	Atriplex confertifolia	3 lbs/acre
bud sage	Artemisia spinescens	3 lbs/acre
Indian rice grass	Oryzopsis hymenoides	3 lbs/acre
galleta grass	Hilaria jamesii	3 lbs/acre

The seed mixture shall be drilled but if the seed mixture is to be aerially broadcasted, the pounds per acre shall be doubled. All seed poundages are in Pure Live Seed.

Immediately after construction the stockpiled top soil will be seeded and the seed worked into the soil by "walking" the pile with caterpillar tracks.

The seed mixture for reclamation with the APD will not be used and annual rye grass will not be put on the topsoil stockpiles.

Other Information:

No construction is allowed March 1 through July 15 due to ferruginous hawk nesting in the area. If nesting is not initiated by May 31 and is confirmed by the field office biologist construction may be initiated after May 31. A hospital muffler or multi-cylinder engine shall be used on pump unit motors to reduce noise levels.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: <input checked="" type="checkbox"/> OIL <input type="checkbox"/> GAS <input type="checkbox"/> OTHER:		5. Lease Designation and Serial Number: UTU 018260-A
2. Name of Operator: PENDRAGON ENERGY PARTNERS, INC.		6. If Indian, Altona or Tribe Name:
3. Address and Telephone Number: 621 17TH STREET, #500, DENVER, CO 80293 303-296-9402		7. Unit Agreement Name
4. Location of Well Postage: 672' FNL, 2064' FEL NW NE		8. Well Name and Number: FEDERAL #2-20-10-18
CC Sec. T, R, M: SECTION 20, T10S - R18E		9. API Well Number: 43-047-34134
		10. Field and Pool, or Widest: UTELAND BUTTE
		County: UINTAH
		State: UT

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input checked="" type="checkbox"/> Convert to Injection | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other | |

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- | | |
|---|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>REQUEST ONE YEAR EXTENSION</u> | |

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

PENDRAGON ENERGY PARTNERS, INC. HEREBY REQUESTS A ONE YEAR EXTENSION TO DRILL THIS WELL.

RECEIVED

AUG 30 2002

DIVISION OF
OIL, GAS AND MINING

13. Alan B. Nicol
Name & Signature: ALAN B. NICOL Title: PRESIDENT Date: 8/27/02

(Take space for State use only)

COPY SENT TO OPERATOR

Date: 9-4-02
Initials: CNO

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-04-02
By: [Signature]

(See Instructions on Reverse Side)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

PENDRAGON ENERGY PARTNERS, INC.

3a. Address 621 17th STREET, #750
DENVER, CO 802933b. Phone No. (include area code)
303-296-9402

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

672' FNL, 2064' FEL NW NE
SECTION 20, T10S, R18E

5. Lease Serial No.

UTU 018260-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

FEDERAL #2-20-10-18

9. API Well No.

43-047-34134

10. Field and Pool, or Exploratory Area

UTELAND BUTTE

11. County or Parish, State

UINTAH, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other REQUEST
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	ONE YEAR
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	EXTENSION

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

PENDRAGON ENERGY PARTNERS, INC. HEREBY REQUESTS A ONE YEAR EXTENSION TO DRILL THIS WELL.

RECEIVED

SEP 25 2002

DIVISION OF
OIL, GAS AND MINING

RECEIVED

AUG 30 2002

CONDITIONS OF APPROVAL ATTACHED

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

ALAN B. NICOL

Title PRESIDENT

Signature

Date 8/27/02

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Petroleum Engineer

Date

9/18/02

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

11006m

**Pendragon Energy Partners
APD Extension**

Well: Federal 2-20-10-18

Location: NWNE Sec. 20, T10S, R18E

Lease: UTU 018260A

CONDITIONS OF APPROVAL

An extension for the referenced APD is granted with the following conditions:

- 1. The extension will expire September 10, 2003**
- 2. No other extensions beyond that time frame will be granted or allowed.**

If you have any other questions concerning this matter, please contact Kirk Fleetwood or Ed Forsman of this office at (435) 781-4400.

ENTITY ACTION FORM

Operator: PENORAGON ENERGY PARTNERS, INC.

Operator Account Number: N 2965

Address: 621 17th ST. # 750

DENVER, CO. 80293

Phone Number: 303-296-9402

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-34766	STATE 3-16-10-18	NE/NW	16	10S	18E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	13733	12/30/02	2-26-03		
Comments:						

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-34767	STATE 11-16-10-18	NE/SW	16	10S	18E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	13734	1/12/03	2-26-03		
Comments:						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-34134	NEO. 2-20-10-18	NW/NE	20	10S	18E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	13735	1/29/03	2-26-03		
Comments:						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

ALAN B. NICOL
Name (Please Print)
[Signature]
Signature
PRESIDENT
Title
2/18/03
Date

RECEIVED

FEB 20 2003

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other Instructions on the reverse side)

Form approved
Budget Bureau No. 1004-0135
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.
UTU018260-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Uteland Butte

9. WELL NO.
Federal #2-20-10-18

10. FIELD AND POOL, OR WILDCAT

11. SEC., T., R., M., OR BLK. AND
SURVEY OR AREA
NW-NE Sec 20 T10S-R18W

12. COUNTY OR PARISH
Uintah

13. STATE
Utah

1. OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR
Pendragon Energy Partners, Inc.

3. ADDRESS OF OPERATOR
621 17th Street, Suite 750, Denver, Colorado 80293 Ph 303 278 3347 (Agent)

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At Surface: 672' FNL, 2064' FEL Sec 20 T10S-R18W
At Proposed Depth: Same

14. PERMIT NO.
API 43-047-34134

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
5,359' GL

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREAT

MULTIPLE COMPLETE

FRACTURE TREATMENT

ALTERING CASING

SHOOT OR ACIDIZE

ABANDON*

SHOOTING OR ACIZING

ABANDONMENT

REPAIR WELL

CHANGE PLANS

(Other)

Drilling

Note: Report results of multiple completion on Well Completion or Recompletion Reports and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work, if well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

DATE	OPERATION	DESCRIPTION	COMMENTS
Jan 30, 03	RU Drilling Rig. Test BOP, Spud.	Commence drilling @ 283'	8 5/8" casing set @ 285'
Jan 31, 03	Drill to 1655'		
Feb 06, 03	Drill to TD @ 4,952	Run logs.	Lay down drill string.
Feb 07, 03	Run 5 1/2" casing. RDMO drilling equipment.	Cement casing to +/- 3,000'	

RECEIVED

FEB 24 2003

DIV. OF OIL, GAS & MINING

18. I hereby certify that the foregoing is true and correct

SIGNED

[Signature]

TITLE Agent

DATE

2-22-03

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WELL COMPLETION OR RECOMPLETION REPORT & LOGFORM APPROVED
OMB NO. 1004-0137
Expires: November 30, 20001a. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Otherb. Type of completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff Resvr.,

Other

2. Name of Operator **Pendragon Energy Partners, Inc.**3. Address **621 17th St., Ste 750, Denver CO 80293**3a. Phone No. (include area code)
303 296 94025. Lease Serial No. **UTU018280-A**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No. **FEO**
~~Uteland Butte~~ **2-20-10-18**9. API Well No.
43-047-34134

4. Location of Well (Report location clearly and in accordance with any State requirements) *

At surface **672' FNL 2,064' FEL-Sec 20-T10S-R18E**At top prod. interval reported below **Same**At total depth **Same**10. Field and Pool, or Exploratory
Exploratory11. Sec., T., R., M., on Block and
Survey or Area **NW NE Sec 20 SLBM**12. County or Parish **Uintah** 13. State **Utah**14. Date Spudded
Jan 30, 200315. Date T. D.
Reached **Feb 7, 2003**16. Date Completed
☐ D & A ☒ Ready to Prod. **3-25-03**17. Elevations (DF, RKB, RT, GL)
5,359 GL18. Total Depth **4,952**MD
TVDPBDT **4,855**

TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

HR Induction, SDDS Nuutron, GRCBL 5-1-03
2-12-0322. Was well cored? ☒ No ☐ Yes (Submit analysis)Was DST run? ☒ No ☐ Yes (Submit report)Directional Survey? ☒ No ☐ Yes (Submit Copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12 1/4"	8 5/8 J	24	0	285'		200 Pr	35	Surface	
7 7/8"	5 1/2 J	17	3000'	4,912'		370	187	Surface	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 7/8"	4,780'	4,750'						

25. Producing Intervals

Formation	Top	Botto	Perforated	Size	No. Holes	Perf.
"C" Shoal	4,779	4,782	4,779-4,782	.4"	4 spf	
A)						
B)						
C)						

26. Perforation Record

27. Acid, Fracture Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
4,779-4,782	375 bbls gelled water w/ 25,000 lbs 20-40 frac sand. ISIP = 2,100 psi.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
4-1-03	4-1-03	24	45 bbl	40		4 load	35		Pumping
Choke Size	Tbg Press Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg SI.	Csg. Press	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

RECEIVED

APR 24 2003

DIV. OF OIL, GAS & MINING

37. SUMMARY OF POROUS ZONES:

(Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem test, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries);

38.

GEOLOGICAL MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
C Shoal	4,779	4,782	Dolomite / Oil			

FORM 6

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator: PENDRAGON ENERGY PARTNERS, INC.Operator Account Number: N 2965Address: 621 17 TH STREET, STE. 750city DENVERstate COzip 80293Phone Number: (303) 296-9402

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
047-33712	FEDERAL #14-17-10-18	SESW	17	10S	18E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
E	13860	14366		11/4/04		
Comments: EFFECTIVE 9/1/04 PART OF UTELAND BUTTE WATERFLOOD GRRV eff 9/1/04						

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
047-34134	FEDERAL #2-20-10-18	NWNE	20	10S	18E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
E	13735	14366		11/4/04		
Comments: EFFECTIVE 9/1/04 PART OF UTELAND BUTTE WATERFLOOD GRRV eff 9/1/04						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
047-33245	FEDERAL #5-20-10-18	SUNN	20	10S	18E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
E	13863	14366		11/4/04		
Comments: EFFECTIVE 9/1/04 PART OF UTELAND BUTTE WATERFLOOD GRRV eff 9/1/04						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

JANEEN FRITTS

Name (Please Print)

Signature

ADMIN SECY

Title

Date

11/04/04

(5/2000)

RECEIVED

NOV 04 2004

DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING	
1. DJJ	
2. CDW	

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

12/15/2009

FROM: (Old Operator): N2965-Pendragon Energy Partners, Inc. 468 South Reed St. Lakewood, CO 80226 Phone: 1 (303) 296-9402	TO: (New Operator): N5085-Questar E&P Company 1050 17th St, Suite 500 Denver, CO 80265 Phone: 1 (303) 672-6900
--	---

CA No.				Unit:	UTELAND BUTTE (GRRV)			
WELL NAME	SEC TWN RNG			API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 12/24/2009
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 12/24/2009
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 1/20/2010
- a. Is the new operator registered in the State of Utah: Business Number: 764611-0143
- a. (R649-9-2) Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: 1/12/2010 ok per DJJ
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: not yet
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 1/12/2010

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 1/20/2010
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 1/20/2010
- Bond information entered in RBDMS on: 1/20/2010
- Fee/State wells attached to bond in RBDMS on: 1/20/2010
- Injection Projects to new operator in RBDMS on: 1/20/2010
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: ESB000024
- Indian well(s) covered by Bond Number: n/a
- a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 965003033
- b. The **FORMER** operator has requested a release of liability from their bond on: not yet

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

Pendragon (N2965) to Questar Exploration Production (N5085)

DESERT SPRINGS 20-1	20	100S	180E	4304732052	14366	FEDERAL	OW	S	UTU-74836
DESERT SPRING 3-29-10-18	29	100S	180E	4304733162	14366	FEDERAL	OW	P	U-74836
DESERT SPRING 16-19-10-18	19	100S	180E	4304733164	14366	FEDERAL	OW	P	U-74408
FEDERAL 7-19-10-18	19	100S	180E	4304733244	14366	FEDERAL	WS	A	UTU74408
FEDERAL 5-20-10-18	20	100S	180E	4304733245	14366	FEDERAL	WI	A	UTU74836
FEDERAL 14-17-10-18	17	100S	180E	4304733712	14366	FEDERAL	OW	S	UTU74407
FED 2-20-10-18	20	100S	180E	4304734134	14366	FEDERAL	OW	P	UTU-0182660-A
FED 9-17-10-18	17	100S	180E	4304734135	14366	FEDERAL	WI	A	UTU-77407
DESERT SPRING 7-30-10-18	30	100S	180E	4304734760	14366	FEDERAL	OW	S	U74408
STATE 1-16-10-18	16	100S	180E	4304733807	14366	STATE	OW	P	ML-45175
STATE 3-16-10-18	16	100S	180E	4304734766	14366	STATE	OW	P	ML 45175
STATE 11-16-10-18	16	100S	180E	4304734767	14366	STATE	OW	P	ML 45175

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS


Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: U-018260A
2. NAME OF OPERATOR: Questar Exploration & Production Company N5085		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1050 17th Street Suite 500 CITY Denver STATE CO ZIP 80265		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 672' FNL, 2064' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 20 10S 18E S		8. WELL NAME and NUMBER: Fed 2-20-10-18
PHONE NUMBER: (303) 672-6900		9. API NUMBER: 4304734134
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Uteland Butte
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input checked="" type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____


12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective 12/15/09 Questar Exploration & Production Company was appointed operator of this well and agrees to be responsible under the terms and conditions of the lease for all oil and gas operations conducted on this lease. Bond coverage is provided by our bond # 965-003-033.


Alan B. Nicol
President
Pendragon Energy Partners, Inc.
468 South Reed Street
Lakewood, CO 80226
(303) 296-9402

12/15/09
Date

N2965


Jay Neese
Executive Vice President
Questar Exploration and Production Company
1050 17th Street, Suite 500
Denver, CO 80265

12-15-2009
Date

NAME (PLEASE PRINT) Chad Matney

TITLE Landman

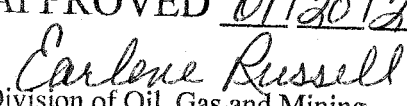
SIGNATURE 

DATE 12-15-2009

(This space for State use only)

APPROVED 01/20/2010

(5/2000)


Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED

DEC 24 2009

DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
 CDW

Change of Operator (Well Sold)

X - Operator Name Change

The operator of the well(s) listed below has changed, effective:

6/14/2010

FROM: (Old Operator): N5085-Questar Exploration and Production Company 1050 17th St, Suite 500 Denver, CO 80265 Phone: 1 (303) 308-3048	TO: (New Operator): N3700-QEP Energy Company 1050 17th St, Suite 500 Denver, CO 80265 Phone: 1 (303) 308-3048
--	---

CA No.

Unit:

UTELAND BUTTE (GRRV)

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 6/28/2010
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 6/28/2010
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 6/24/2010
- a. Is the new operator registered in the State of Utah: Business Number: 764611-0143
- a. (R649-9-2) Waste Management Plan has been received on: Requested
- b. Inspections of LA PA state/fee well sites complete on: n/a
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 8/16/2010 BIA not yet
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 8/16/2010
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 6/29/2010

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 6/30/2010
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 6/30/2010
- Bond information entered in RBDMS on: 6/30/2010
- Fee/State wells attached to bond in RBDMS on: 6/30/2010
- Injection Projects to new operator in RBDMS on: 6/30/2010
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: ESB000024
- Indian well(s) covered by Bond Number: 965010693
- a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 965010695
- b. The **FORMER** operator has requested a release of liability from their bond on: n/a

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

Questar Exploration Production Company (N5085) to QEP Energy Company (N3700)
 UTELAND BUTTE (GRRV)
 effective June 14, 2010

well_name	sec	twp	rng	api	entity	mineral lease	type	stat
DESERT SPRINGS 20-1	20	100S	180E	4304732052	14366	Federal	OW	P
DESERT SPRING 3-29-10-18	29	100S	180E	4304733162	14366	Federal	OW	P
DESERT SPRING 16-19-10-18	19	100S	180E	4304733164	14366	Federal	OW	P
FEDERAL 14-17-10-18	17	100S	180E	4304733712	14366	Federal	OW	P
STATE 1-16-10-18	16	100S	180E	4304733807	14366	State	OW	P
FED 2-20-10-18	20	100S	180E	4304734134	14366	Federal	OW	P
DESERT SPRING 7-30-10-18	30	100S	180E	4304734760	14366	Federal	OW	P
STATE 3-16-10-18	16	100S	180E	4304734766	14366	State	OW	P
STATE 11-16-10-18	16	100S	180E	4304734767	14366	State	OW	P

Bonds: BLM = ESB000024
 BIA = 956010693
 State = 965010695

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: See attached
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: See attached
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: See attached
2. NAME OF OPERATOR: Questar Exploration and Production Company <i>N5085</i>		8. WELL NAME and NUMBER: See attached
3. ADDRESS OF OPERATOR: 1050 17th Street, Suite 500 Denver STATE CO ZIP 80265		9. API NUMBER: Attached
4. LOCATION OF WELL FOOTAGES AT SURFACE: See attached		10. FIELD AND POOL, OR WILDCAT: See attached
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		COUNTY: Attached STATE: UTAH

11 CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>6/14/2010</u>	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>Operator Name Change</u>
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12 DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective June 14, 2010 Questar Exploration and Production Company changed its name to QEP Energy Company. This name change involves only an internal corporate name change and no third party change of operator is involved. The same employees will continue to be responsible for operations of the properties described on the attached list. All operations will continue to be covered by bond numbers:

Federal Bond Number: 965002976 (BLM Reference No. ESB000024) *N3700*

Utah State Bond Number: ~~965003033~~

Fee Land Bond Number: ~~965003033~~ *965010695*

BIA Bond Number: ~~799446~~ *965010693*

The attached document is an all inclusive list of the wells operated by Questar Exploration and Production Company. As of June 14, 2010 QEP Energy Company assumes all rights, duties and obligations as operator of the properties as described on the list

NAME (PLEASE PRINT) <u>Morgan Anderson</u>	TITLE <u>Regulatory Affairs Analyst</u>
SIGNATURE <i>Morgan Anderson</i>	DATE <u>6/23/2010</u>

(This space for State use only)

RECEIVED

JUN 28 2010

DIV. OF OIL, GAS & MINING

(See Instructions on Reverse Side)

APPROVED *6/30/2009*
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO:
3100
(UT-922)

JUL 28 2010

Memorandum

To: Vernal Field Office, Price Field Office, Moab Field Office
From: Chief, Branch of Minerals *Roger L Bankert*
Subject: Name Change Recognized

Attached is a copy of the Certificate of Name Change issued by the Texas Secretary of State and a decision letter recognizing the name change from the Eastern States Office. We have updated our records to reflect the name change in the attached list of leases.

The name change from **Questar Exploration and Production Company** into **QEP Energy Company** is effective June 8, 2010.

cc: MMS
UDOGM

RECEIVED

AUG 16 2010

DIV. OF OIL, GAS & MINERALS